

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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| Applicant | : | Francesca Kuglen | Atty Docket: | K551-003.B |
| Serial No. | : | 10/764,279 | Examiner: | Robyn Kieu Doan |
| Filed | : | January 22, 2004 | Art Unit: | 3732 |
| For | : | STRETCH COMB HAIR RETAINER | Conf. No.: | 9690 |

**RULE 132 DECLARATION OF LISA OSBORNE CONNOLLY
(37 CFR 1.131 and 1.132)**

This declaration is offered in support of the above-identified patent application by Francesca Kuglen.

I, Lisa Osborne Connolly, declare as follows:

1. I am currently Director of Brand Management at Kids II, Inc, a manufacturer of infant and toddler products. Prior to working at Kids II, Inc., I worked at Nioxin Research Laboratories, a manufacturer of hair care products, and prior to that for Goody Products Inc, a Newell-Rubbermaid Company, which is a 100 year old company that markets and sells styling tools and hair accessories products for women.

2. I was employed by Goody Products from October 2000 to February 2003. I was initially employed by the company as a product manager to handle two product lines, including the Cover Girl brand. Within about four months of my hire (in about January 2001) I was promoted to Marketing Manager. As Marketing Manager, I oversaw all creative aspects of product development and selection at Goody, including leading a team of product managers and product designers. I also worked on marketing strategies and was involved with vendor selection and relationships, and worked closely with Goody's strategic retail partners.

3. I have reviewed Ms. Kuglen's published patent application No. 10/764,279, titled Stretch Comb Hair Retainer, including the drawings accompanying her application. As discussed in more detail below, the Stretch Comb Hair Retainer disclosed and illustrated in Ms. Kuglen's patent application was disclosed to Goody by Ms. Kuglen no later than February 2002, and likely well before that date. The Stretch Comb Hair Retainer disclosed by Ms. Kuglen to Goody had wire loop combs and crisscrossed beaded elastic strands as seen in the patent application drawings.

4. When I became Goody's Marketing Manager, there was no continuity with my predecessor who occupied this position. I had no access to my predecessor's files and had to spend time coming up to speed on Goody's existing products and new products under consideration. During this process, I became acquainted with Ms. Kuglen and learned that, some years before, Goody had purchased Ms. Kuglen's business, Jontee Accessories, and that a number of hair accessory products designed by Ms. Kuglen were included in the Goody product line. Under its agreement with Ms. Kuglen, Goody had first negotiation rights with respect to any new hair accessory and grooming products that she created.

5. My first contact with Ms. Kuglen would have been sometime in January or February 2001, soon after my promotion to Marketing Manager. In approximately February 2001, I met with Ms. Kuglen at Goody's headquarter offices in Atlanta, Georgia to discuss her products and royalties payments she claimed were due to her at the time. Following our meeting, I received a memorandum from Ms. Kuglen referring to the meeting and summarizing the background of her relationship with Goody and the concerns she had regarding her products with Goody. A copy of Ms. Kuglen's memo, which is dated March 7, 2001, is attached to this declaration as Exhibit A (with portions not relevant to this declaration redacted).

6. In my capacity as Marketing Manager, I continued to work with Ms. Kuglen on her products for about one year, that is, from about February 2001 to about February 2002. In about February 2002, I worked on additional projects within the company including working on a team with the purchasing department to source products in China. After February 2002, I had limited contact with Ms. Kuglen and did not discuss any new product designs with her that I recall.

7. In her memo attached hereto as Exhibit A, at page 2, in numbered paragraph 3, Ms. Kuglen references "Hair Accordians" and that she had "approached Goody with a new beaded version." At the time I had learned that "Hair Accordion" was Ms. Kuglen's brand name for a double comb hair accessory product she had created some years before, which featured plastic combs and fabric covered elastic bands extending between and attached to the combs. I understood that Ms. Kuglen had received a U.S. patent for this product.

8. The reference in Ms. Kuglen's March 2001 memo to the "new beaded version" of Hair Accordion was to a new double comb hair accessory design she had recently created. I do not recall whether the "new beaded version" referenced in this memo corresponded to the Stretch Comb Hair Retainer shown in Ms. Kuglen's published patent application No. 10/764,279. It is possible that it did.

9. Ms. Kuglen presented her new hair accessory designs to Goody by sending Goody product samples. I recall that I had first seen samples of Ms. Kuglen's new beaded double comb hair accessory at or around the time of our meeting in February of 2001. These samples would have corresponded to the "new beaded version"

referenced in Ms. Kuglen's memo dated March 7, 2001, and may have been sent to Goody prior to my earliest contacts with Ms. Kuglen. If these first samples did not correspond to the Stretch Comb Hair Retainer shown in Ms. Kuglen's Patent Application No. 10/764,279, then Ms. Kuglen would have sent me samples that did correspond to her patent application later in 2001 or, at the very latest, in early 2002. I do not recall receiving or reviewing any product samples from Ms. Kuglen after February, 2002.

10. At the time I reviewed samples of Ms. Kuglen's new beaded double comb accessory, I understood that any new product designs submitted by Ms. Kuglen to Goody for evaluation were submitted in confidence and that Goody had an obligation to maintain the confidentiality of these designs.

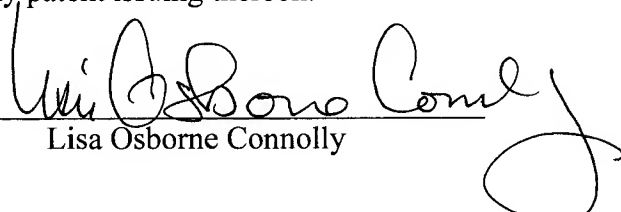
11. At the time I saw Ms. Kuglen's new beaded double comb hair accessory product, I had never seen anything like it before and thought it was very innovative. One of the innovative features was the use of wire loop combs. Product designers in this field typically do not have a high level of design skills, and I don't believe any of the product designers at Goody would have come up with Ms. Kuglen's unique product design or the idea of using wire loop combs in a double comb hair accessory application.

12. Goody did not take on Ms. Kuglen's new beaded double comb hair accessory design because it was a new product concept at the time, and we were not sure how to market it. We also had concerns regarding material costs and how to cost out the product. Effectively, the uniqueness and complexity of the product worked against Ms. Kuglen's ability to get it into the Goody product line.

The undersigned declares that all statements of her own knowledge made herein, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements made jeopardize the validity of the above-identified application, or any patent issuing thereon.

Date: _____

9/17/09


Lisa Osborne Connolly

Application No. 10/764,279

Declaration of Lisa Osborne Connolly

37 CFR 1.131 and 1.132

EXHIBIT A

March 7, 2001

TO: Lisa Osborne

FR: Francesca Kuglen

RE: Grip Clip tops, Contract, and Royalties

Attached are the following:

- 1) Partial copies of the Asset Purchase and Sale Agreement contract between Goody Products and myself in 1995. The only noteworthy areas for you at this time are what products were acquired by Goody in 1995 and under what licensing terms, so those are the sections attached. The contracts themselves are quite lengthy (2 file folders) and deal mainly with payments, inventory, valuations, etc. which are irrelevant to our needs now.

HISTORY:

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4) Other items which still have potential:

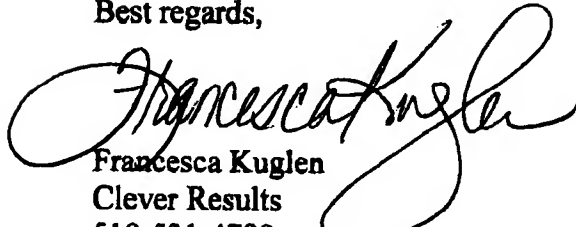
- C) **French Illusions:** The elastic is tighter than a normal ponytail holder so these grip much more securely. This is important for children's hair and women growing out layers of hair. AN EXCELLENT SELLER-easy to understand and can be made with 3, 4, or 5 matching bows, flowers, etc. This might make a wonderful summer promotional.

5) **Shapes for Grip Clip tops.** Enclosed are some barrette shapes for new Grip Clip tops. I have asked Bon Fame to send you swatches of some acrylic colors that might look wonderful in these bodies. Expect them within a week.

5) **Promo Ideas:** While skimming some foreign sourcing magazines, I came across these and thought you might get some promo ideas from them.

It was wonderful meeting you in Atlanta. Best wishes as you build your line. Please let me know if there is anything I can do to help you in any way.

Best regards,


Francesca Kuglen
Clever Results
510-531-4799